



Signed and Filed: August 20, 2019

Dennis Montali

DENNIS MONTALI
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

In re:) Bankruptcy Case
PG&E CORPORATION,) No. 19-30088-DM
- and -) Chapter 11
PACIFIC GAS AND ELECTRIC COMPANY,) Jointly Administered
Debtors.) Date: August 27, 2019
Time: 9:30 AM (Pacific Time)
Place: Courtroom 17
450 Golden Gate Ave.
16th Floor
San Francisco, CA
☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors
* All papers shall be filed in the Lead Case, No. 19-30088 (DM).

ORDER REGARDING FURTHER HEARINGS ON ESTIMATION MOTION
AND OTHER CASE SCHEDULING MATTERS

I. INTRODUCTION

At the conclusion of the August 14, 2019, hearing on the Debtors' Motion Pursuant to 11 U.S.C. §§ 105(a) and 502(c) for the Establishment of Wildfire Claims Estimation Procedures (Dkt. 3091) (the "Estimation Motion") the court neither granted nor denied it. Many objections that had been filed were probably

1 rendered moot by subsequent events, but the record needs to be
2 complete as to their disposition.

3 The court's minutes and the case docket reflect a continued
4 status conference on the Estimation Motion on August 27, 2019,
5 at 9:30. The orders that will shortly be entered granting the
6 Official Committee of Tort Claimants' Amended Motion for Relief
7 from Stay (Dkt. 2904) and the Ad Hoc Group of Subrogation Claim
8 Holders' Motion for Relief from Stay (Dkt. 2863) certainly moot
9 for the most part one significant aspect of the suggested
10 timetable in the Estimation Motion, namely Phase 2 and the Tubbs
11 Fire.

12 The court also set a hearing for the same time on the
13 Official Committee Tort Claimants' Motion for Entry of Order
14 Determining Procedures for Preserving Jury Trial Rights (Dkt.
15 3479).

16 It seems useful for all parties to have a clear
17 understanding of what will be dealt with in the coming months as
18 to all remaining aspects of the Estimation Motion and other
19 steps described in the Debtors' Corrected Supplemental Statement
20 and Plan of Reorganization Timeline in Support of Opposition to
21 Motions to Terminate Exclusivity (Dkt. 3515). ("Timeline")

22 II. ATTENDANCE AT CONTINUED STATUS CONFERENCE

23 For implementation of the Timeline, the court requires the
24 participation of the following principal counsel, preferably in
25 person but telephonic appearance by non-local counsel will be
26 acceptable:

27 Stephen Karotkin, Esq.
28 Kevin J. Orsini, Esq.

1 Robert A. Julian, Esq.
2 Cecily A. Dumas, Esq.
3 Benjamin P. McCallen, Esq.
4 Dennis F. Dunne, Esq. or Gregory A. Bray, Esq.
5 Frank A. Petrie, Esq.
6 Michael A. Kelly, Esq.
7 Alan Kornberg, Esq.

8 Counsel not on that list are not meant to be excluded, and
9 all who wish may appear and participate in any discussion of
10 these matters.

11 Notwithstanding the short time before the August 27, 2019,
12 status conference, principal counsel should meet and confer,
13 principally about Items C and E below.

14 III. TIMELINE DISCUSSION POINTS

15 A. In anticipation of a Debtors' plan being filed on or
16 about September 9, 2019, the court wants a discussion about
17 varying the traditional sequence of FRBP 3016 and 3017. Rule
18 3016(b) directs that a plan and disclosure statement be filed
19 together "or within a time fixed by the court."

20 If the proposed competing plans that were considered at
21 last week's hearings are any indication of what Debtors will be
22 filing, the only impaired classes will be the fire victims and
23 their insurers. Accordingly, the court wants to make sure that
24 the proposed Disclosure Statement looks less like a thick phone
25 book and is essentially a brief and simplified explanation of
26 how and when the fire victims and their insurers should expect
27 to be paid. Note that 11 U.S.C. § 1125(a) plainly directs that
28 "adequate information" for disclosure statement purposes is to
enable a hypothetical (investor?) of the relevant class to make
an informed judgment. That admonition should be kept in mind.

1 Subject to further discussion regarding item D, below, the
2 court envisions two tracks to confirmation, one which deals with
3 the determination of the amount of any trust (e.g., inverse
4 condemnation ruling; Tubbs fire results; final estimation under
5 11 U.S.C. § 502(c), etc.). The other will be the financial
6 projections and provisions set forth in the Plan in order for
7 the Debtors to implement and deal with all of the confirmation
8 challenges but are not necessary to be included in a disclosure
9 statement.

10 Finally, the court will discuss with all parties what might
11 happen if Debtors do not meet their target of September 9, 2019,
12 plan filing.

13 B. Tentatively the court suggests Debtors file their
14 Opening brief on the inverse condemnation issue to be filed by
15 November 1; TCC and others wishing to join in one brief to
16 respond by November 15; Debtors' reply by November 22; matter
17 then submitted unless the court chooses to schedule oral
18 argument. Comments about altering the schedule and setting page
19 limits will be welcome.

20 C. The court wishes comments, particularly from Tubbs fire
21 litigation counsel on both sides, as to what might be helpful in
22 any coordination between setting the court's estimation schedule
23 (Phase 3) and the timing of Tubbs fire trial. Related is
24 whether the Debtors are willing and able to work with
25 plaintiffs' counsel to speed up the scheduling of the Tubbs fire
26 trial.

27 D. Related to paragraph A, above, the court wants counsel
28 for CPUC to outline what the Commission needs, and when, from

1 this court by way of a preliminary approval of the Plan terms;
2 the extent of any required disclosures; whether the final
3 outcome of the estimation proceedings is relevant to the
4 preliminary tasks that the Commission will be handling, and what
5 else will facilitate meeting its requirements.

6 E. The court wants a full discussion among counsel as to
7 what discovery will be necessary, and what is the timeframe,
8 preparatory to the scheduling of the final estimation
9 proceedings.

10 F. Role of the Article III judge

11 G. Possible mediation & court direction

12 H. Other matters of concern

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15 ****END OF ORDER****
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